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#### SOVIET WORLD

The barrage of pre-election speeches by top Soviet leaders last week, apparently intended primarily for Orbit consumption, produced no new policy formulations. Such tired themes as improving agriculture, increasing consumer goods and ending "formalistic" methods of party leadership predominated.

In contrast to the other speakers, however, Malenkov devoted little attention to the agricultural problem. He gave unusually heavy emphasis to the necessity of raising labor productivity, a task "without solution of which the transition to Communism is impossible." He may be supporting a cautious long-run approach to economic problems based on measures to stimulate industrial and agricultural efficiency, rather than more ambitious but riskier short-run programs.

Even the foreign affairs features of the speeches may have been designed to strengthen Orbit support for the Malenkov program by underlining the regime's efforts to achieve peace. Malenkov may have set the tone by reviving his slogan of a year ago proclaiming the possibility of settling all controversial questions by peaceful means. In a similar vein, Molotov hailed the meeting in Berlin as ending the long interval between great-power conferences.

Both Malenkov and Molotov devoted particular attention to the Soviet plan for a European security treaty, which is developing as a major propaganda theme. A vague hint by Molotov that the part of the proposal which excluded the United States might be re-examined showed his realization that this feature critically weakened the plan in European eyes. In connection with the Geneva conference, both speakers emphasized the importance of China's participation as an equal. Molotov said that this made more urgent the "restoration of China's rights" in the UN.

The remarks of a key Soviet diplomat last week provided further evidence that the main Communist effort at Geneva will be aimed at the Indochina question. Soviet ambassador Vinogradov, according to a high French Foreign Ministry official, has been "saying widely" in Paris that the situation in Korea is identical to that in Germany and that there is no possibility of achieving unification at the Geneva conference. His remarks closely paralleled comments by a Soviet embassy counselor in London on 4 March. The analogy

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drawn between Korea and Germany suggests that the Communists at Geneva may put forward a Korean unification plan along the lines of Molotov's proposal for a German settlement at Berlin.

This unwillingness to make any substantial concessions toward a Korean settlement was further indicated by a developing propaganda campaign designed to show that, in view or the continued occupation of South Korea by UN Command forces and the build-up of ROK forces, a Chinese Communist withdrawal from North Korea should not be expected. This line also attempts to blame the West in advance for any failure to reach a Korean settlement at Geneva.

Communist propaganda produced strong evidence that Moscow will demand Viet Minh representation at Geneva, but failed to provide any clear indications of positions on substantive issues. One of Moscow's chief aims probably as to secure greater recognition for the Ho government as well as for China and North Korea. A recent Soviet broadcast an Tonkinese stated that the Viet Minh regime had been recognized directly by Orbit states and indirectly by the Western powers which agreed to the Geneva conference.

#### FRENCH AND VIETNAMESE ATTITUDES TOWARD GENEVA CONFERENCE

During the recent Indochina debate in the French National Assembly, only the hope of a solution at Geneva enabled Premier Laniel to resist pressure for immediate negotiations with the Viet Minh. France seems determined to shed the burden of the war through either a solution at Geneva bought by American concessions to China or greater American participation in Indochina. The Vietnamese view the conference with considerable pessimism.

The debate on 9 March resulted from Nehru's suggestion for a cease-fire in Indochina before the Geneva conference. It centered on whether France should try to negotiate with the Viet Minh now or continue to look to Geneva for relief. The proponents of immediate negotiations lost out solely because of the hopes offered by Geneva. The assembly resolution extended the time in which the government might reach a settlement, but, as the embassy in Paris commented, "the assembly only extended credit on a short-term basis."

Laniel has repeatedly stated France's willingness to negotiate a Viet Minh offer through official channels, but the terms specified in his 5 March speech, according to the Foreign Ministry official who wrote it, were purposely made unacceptable in order to forestall any Viet Minh offers before Geneva. Laniel appears to hope, however, that the conference will at least lead to an agreement cutting Chinese aid to the Viet Minh in return for recognition of the Peiping regime by Washington. There is little likelihood that Peiping would promise to withhold aid. A French Foreign Ministry spokesman told American diplomats that the success of Geneva would probably depend on such a revision of the United States' China policy.

General Ely, chief of staff of the French armed forces who will fly to Washington on 19 March, is understood to be bringing a report from Defense Minister Pleven stressing that continued high amounts of material support will be necessary to carry out the Navarre plan. Greatly increased military support and the threat of direct United States action would strengthen the French government's hand at Geneva and give it arguments to combat domestic apathy.

As yet, France has not invited the Associated States to Geneva. The Foreign Ministry has indicated that it would not favor such action since it would open the question of Viet Minh

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participation. The Vietnamese government has officially contented itself with the noncommittal statement that it favors discussion of Indochina provided any settlement be made subject to its approval and ensure both the unity of Vietnam and the destruction of the Viet Minh forces. It may consider that the absence of Indochinese representatives would help France induce the Chinese Communists to discontinue aid to the Viet Minh.

Both the Vietnamese press and various individual ministers, however, have been pessimistic on the possibility of any favorable settlement coming out of Geneva. The minister of information, reflecting Bao Dai's consistent position, has taken a firm stand against any negotiations with the Viet Minh. The minister of national economy told Ambassador Heath in late February that there was widespread popular desire for a ceasefire, but urged that any Indochina peace be underwritten by the United States in a bilateral agreement with Vietnam. The defense minister stated that the impending Geneva talks had shaken the Vietnamese people and had a particularly disastrous effect on morale in the armed forces.

Pleven has also stated that rumors of negotiations with Ho have hurt the morale of the French Union forces in Indochina, adding, however, that the prospect of big-power talks had a beneficial effect. A possible indication that fence-sitting tendencies among Vietnamese politicians have increased is the fact that Saigon newspapers recently stopped using anti-Communist material supplied by USIA.

Cambodia favors the Geneva conference. Laos has thus far limited its position to a statement that an essential condition to any peace agreement is the withdrawal of Viet Minh forces from Laos.

If the Viet Minh is present at Geneva, and big-power negotiations are unproductive, the French government will come under further pressure from the assembly to attempt bilateral talks before the conference breaks up. While Vietnamese opposition would hamper such a move, the French assembly has emphasized that the tenor of the current Paris negotiations to define Vietnamese independence will largely determine the weight it will give to the Bao Dai government's views.

The resolution of 9 March includes a statement that repudiation by the Associated States of any provisions of the constitution relative to the French Union would relieve France

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of its obligations. This statement was passed by a much larger majority than the rest of the resolution, and could throw open the whole question of the French stake in the war should talks with the Vietnamese break down on the Union issue.

Despite official French skepticism, the press and public, as well as a large part of the assembly, are increasingly optimistic that an agreement can be reached at Geneva leading to the end of the war. Disillusionment on this point is likely to bring new French demands for direct American military assistance in Indochina or for UN intervention, and could also upset the timetable for action on the EDC treaty, which Bidault expects to bring to a vote in May.

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### USSR PROMOTES DISARMAMENT RUSSIAN STYLE

Recent statements by Soviet officials and propagandists, including Malenkov's allusion on 12 March to the possibility of the "destruction of world civilization," indicate that the Kremlin plans to continue promoting a world disarmament conference as proposed by Foreign Minister Molotov at Berlin. The Kremlin apparently hopes to arrange such a conference in order to present its proposal for a declaration like the Geneva convention pledging all states not to use "atomic, hydrogen or other weapons of mass destruction," and at the same time to call for "a considerable reduction in all other types of armaments."

By encouraging the conference, Moscow apparently hopes to discredit President Eisenhower's atomic pool proposal, to dramatize further the role of Communist China, to remove the disarmament question from the formal confines of the United Nations, and to exploit the propaganda opportunities such a conference would offer.

Soviet public statements since the President's United Nations speech of 8 December have pointedly avoided serious discussion of the development of atomic energy for peaceful purposes but have shown that the Kremlin has a continuing interest in the subject of disarmament for propaganda purposes. Statements directed specifically at President Eisenhower's proposal have revealed two attitudes.

The first was expressed in the official Soviet reply, which implied an inherent inadequacy in the proposal and asked for "clarification" of "unclear elements." It stated that the plan, by allotting only "some small part" instead of the "whole mass" of atomic materials for the international pool, implied a sanction of continued production of atomic weapons. The reply expressed disappointment that there was no provision for either a "ban" on atomic weapons or a pledge not to use them.

The second theme was reflected in a January article in the semi-official New Times which alleged that the United States was seeking to achieve a monopoly of atomic materials at the expense of other capitalist countries. The article interpreted the President's proposal as a "demonstrative act," motivated by a desire to allay resentment in countries supplying uranium ore to the United States, and at the same time to ensure "an uninterrupted flow of atomic raw materials for military purposes."

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Similarly, several remarks by Soviet officials during the last three months suggest that Moscow intends to project the President's proposal into the larger question of disarmament. Soviet UN delegate Vyshinsky said that without "unconditional prohibition" and "strict international control" of the observance of the prohibition, "one cannot begin to think of a reduction" of the world's stock of atomic energy "which could guarantee a new approach."

A Soviet diplomat in London who has accurately revealed Moscow's attitudes in the past stated that the President's proposal was "only another version of the Baruch plan" and implied that the United States would seek to control the international agency. A Soviet official in Washington remarked that the President knew the plan would be unacceptable to the USSR, and dismissed it as another strategic move in American psychological warfare against the Soviet Union.

Moscow apparently plans also to use the question of disarmament to dramatize further the role of Communist China as a world power and to bring it more firmly into international affairs. The Soviet reply to the President's proposal insisted that an easing of international tensions could be achieved by Chinese participation in disarmament discussions. This point was further stressed at the Berlin conference where Molotov, after failing to obtain an agreement for a five-power conference including Communist China, proposed a world disarmament conference to include both members and nonmembers of the United Nations.

The Kremlin's attitude toward further discussion of the disarmament question in the formal confines of the United Nations is shown by Molotov's statements at Berlin that "the United Nations are paralyzed in this field," and that the lack of progress was due to the "restricted commission" which has dealt with the problem.

The USSR may take advantage of the 28 November UN disarmament resolution, which suggested that the "powers principally involved" should seek a solution to the present impasse, to call a world disarmament conference. Molotov might also attempt to inject the question of disarmament into the Geneva conference, in order to take advantage of the extraordinary propaganda opportunities the proposal would offer for presenting the USSR as the popular champion of disarmament.

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# CHINESE NATIONALIST ARMED FORCES STILL HAVE SERIOUS WEAKNESSES

The Chinese Nationalist government has adopted few of the major proposals made in the past year by the American Military Assistance Advisory Group (MAAG) and serious weaknesses in Formosa's military establishment still exist. Recent reports, moreover, tell of deteriorating morale and growing apathy in the Nationalist armed forces.

Almost all army matters down to minor details are now directed with little regard for the chain of command by General Chou Chih-jou, chief of staff of the Ministry of National Defense. Most operations therefore lack effective coordination and control in the field.

To streamline the unwieldy command structure, the advisory group has recommended that the Defense Ministry confine itself to policy making, that two self-sufficient field armies be established, to include the 12 armies now in existence, and that several unnecessary units be eliminated. With troops from deactivated units, the army's 28 infantry divisions, now under strength, could be consolidated into 21 divisions nearer full combat strength, plus two light armored divisions. The total combat strength of the ground forces would thus be raised from 312,000 to 365,000 men.

It appears unlikely that these recommendations, submitted to Chiang Kai-shek, will be adopted. They are opposed by General Chou, who apparently fears they will eliminate a large number of command positions presently occupied by his friends. To retain his extensive personal control, Chou is expected to persuade President Chiang to request modification of the proposals.

The advisory group recommends reducing the size and functions of the Combined Service Forces (CSF), which are now responsible for logistical support to all three military branches, but have been unable to perform their tasks adequately. MAAG proposes that CSF responsibilities be limited to rear echelon support and that the army have its own supply organization. Until this is done, the army will be totally unable to launch a mainland offensive or to maintain an all-out defense of Formosa for more than five days, according to MAAG estimates.

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The navy section of MAAG has long urged a fleet command for operations afloat. Sea operations controlled by naval head-quarters on Formosa lack flexibility to meet tactical situations. The Chinese navy's only response to MAAG's recommendation, however, has been to designate a deputy commander in chief as fleet commander in addition to his regular duties. He remains in naval headquarters.

Another unsuccessful MAAG suggestion is that the navy improve shipboard training facilities and intensify amphibious training with army and marine troops, using junks and other small vessels. Nationalist officials insist, however, that large numbers of landing craft from the United States are required before real progress can be made. Demands for ships are unrealistic in view of the navy's limited budget, which now is sufficient to maintain only 70 percent of the 150 Nationalist naval vessels, and because of the lack of facilities and personnel to keep additional ships in serviceable condition.

Plans for strengthening the Nationalist air force cail for the delivery of some 400 American jet fighters to Formosa in the next two years. About 80 F-84's are already in use, but the transition to jets has underlined two problems: first, a surplus of pilots as compared to the number of aircraft available is preventing each pilot from reaching maximum combat efficiency; and second, the lack of trained technicians, which limits the propeller-driven planes in service to 60 percent of the air force's 800, will probably apply as well to jet equipment. The advisory group believes that the number of pilots in training must be curtailed to achieve individual proficiency, and is arranging training for Chinese mechanics at American jet bases in the United States and Japan.

American observers on Formosa, meanwhile, report signs that service morale is deteriorating, although not yet seriously. With the increasing influence of the Political Department under the Generalissimo's son, Chiang Ching-kuo, which is modeled on the Soviet political officer system, top military commanders are losing initiative and authority. A growing realization that an early "return to the mainland" is unlikely has apparently led to some apathy among the troops. The decline in morale is illustrated by the defection to Communist China of four Nationalist pilots with their aircraft in the past four months.

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### INDIAN CONGRESS PARTY LOSING GROUND

Prime Minister Nehru's ruling Congress Party shows signs of internal stagnation, and on the basis of recent elections, appears to be gradually losing its hold on the Indian voters (see map, p. 15). Nevertheless, it remains the dominant force in national politics, and no other party is in a position to replace it in the near future.

The Congress' great prestige with the Indian electorate derives from its having led and, in their eyes, won the struggle for India's independence. The party is also associated in the public mind with the martyred Gandhi. It has retained a substantial majority in parliament, although it received only 45 percent of the popular vote in the 1951-52 national elections.

Since 1947, the death of Gandhi and other major preindependence leaders has left the party's direction almost exclusively in Nehru's hands. A 1951 revolt against him succeeded only in strengthening his position, which now permits him to name the party directorate and to control, at least indirectly, the selection of Congress parliamentary candidates. Nehru's support alone, for example, keeps an able but unpopular chief minister in power in Madras state.

This one-man rule of the party has prevented the rise of younger leaders. Nehru's unwillingness to seek advice from any but a very few intimates, such as V. K. Krishna Menon and Rafi Ahmed Kidwai, has isolated him from the bulk of party members. A recent poll of younger Congress members of parliament revealed that they regard Nehru's neutralism as a failure. This is probably as much a reflection of resentment against the exclusiveness of the party's leadership as it is of a disagreement on foreign policy.

Hardening of the Congress' arteries was apparent at the national party conference last January. Stereotyped resolutions urging unity and promising economic progress received an apathetic response from the delegates, who were aroused only by the dramatic appearance of Ghulam Mohammed Bakshi, the prime minister of Indian-held Kashmir. Excessive reliance on policy and tactical direction from above is likely to affect adversely the party's prospects in important local elections.

During the critical Travancore-Cochin elections in February, American officials noted that few of the many high-level Congress campaigners dealt with party policy as applied locally, while most confined themselves to remoter national issues and negative

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attacks on the opposition. Moreover, only eight of the 46 Congress members elected to the state assembly in 1951 cared to run from the same constituencies in 1954, and the Congress suffered a net loss of one seat instead of gaining the clear-cut majority it reportedly expected.

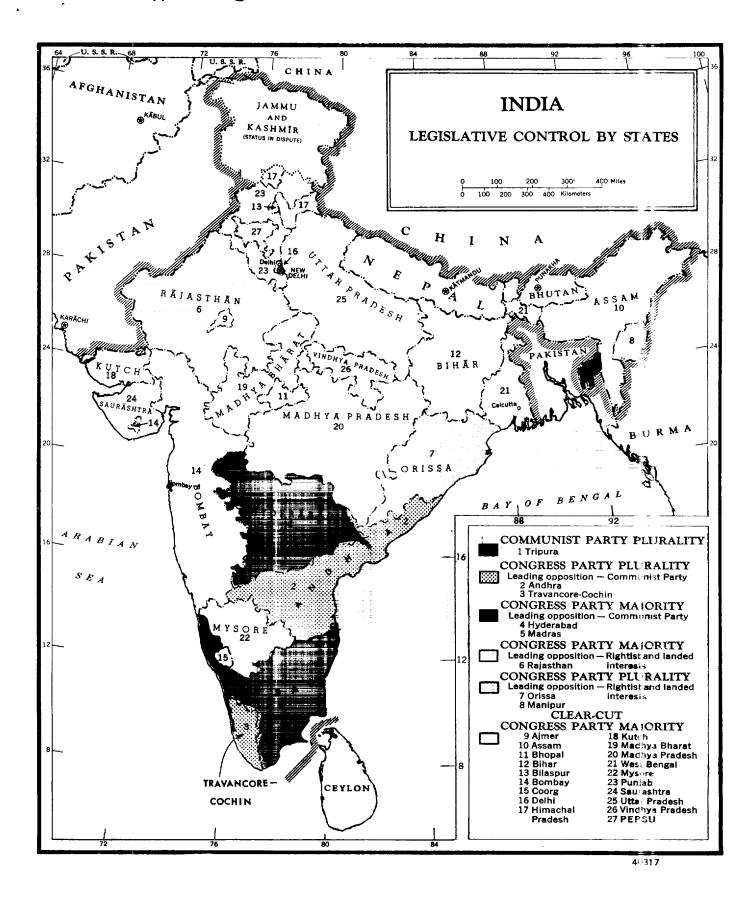
Failure to advance specific remedies for unemployment, particularly among the educated white-collar class, slowness in making land reforms, and a lukewarm attitude toward the potent movement for reorganizing India on the basis of linguistic boundaries are believed to have been major factors in the Congress' defeat in these elections.

Despite these weaknesses, the Congress Party retains elements of considerable strength. It commands the financial support of wealthy, conservative Hindu business interests in spite of its program for a welfare state. It holds firmly the machinery and patronage of the central and almost all the provincial governments, and a large unvouchered fund is available to the prime minister's office as needed. The equivalent of about \$700,000 was reportedly taken from this fund for the February elections in the Patiala and East Punjab States Union, where the Congress exploited opposition factionalism to win a working majority.

The party, as the national government, is able to satisfy mass emotions at little cost. Nehru's statement on 1 March that India no longer regards as "neutral" the American members of the UN observers team in Kashmir is an example of this tactic. Again as the national government, the Congress can come to the rescue of its provincial components by invoking "president's" rule direct from New Delhi in any state where a stable government cannot be formed. Although this action can be taken only at the request of state governors, these are in every case Congress supporters.

The Congress also gains from the fact that, except for the Communists, India's major parties are splinters from the pre-1947 Congress movement and are still chronically schismatic. The Indian electorate cannot be expected to desert the Congress in large numbers until a more unified opposition appears.

The party's resources and the divisions among its opponents will therefore probably continue the Congress in its position as India's dominant party, even though it may find the future going considerably tougher.



### AUSTRIA SEEKS NEW SOVIET NEGOTIATIONS DESPITE BERLIN REBUFF

Although shaken by Soviet intransigence at Berlin on the state treaty issue, Austrian officials have already begun to probe Soviet representatives for a review of the worst inconveniences of the occupation. The Western powers have repeatedly been assured by the Vienna government that they will be consulted on any bilateral negotiations, but Austria's record in this respect during the past year has been poor.

Both Socialist and People's Party leaders seem agreed that renewed bilateral negotiations with the USSR are not only desirable but necessary to satisfy public demands. Increased friction within the coalition in recent months has made it difficult to arrive at an agreement on strategy, however, and the parties themselves appear split on whether Vienna should act more independently of the Western powers and be more conciliatory to the USSR.

Problems for discussion with the Soviet Union include control of the Austrian border in the Soviet zone, the status of the former German assets now controlled by the Soviet Administration in Austria (USIA), and a trade agreement. The first two matters are linked, since the control of shipments to the Orbit is the crux of the border problem, and USIA industries, which operate outside of Austrian law and customs controls, are chiefly responsible for the traffic to the East. The Austrians will presumably again seek return of the USIA industries to Austrian control, and at a minimum, press for agreement that they operate under Austrian laws.

In any trade negotiations, the Austrians will probably insist that USIA exports be counted in the Austrian total, instead of constituting free, additional Soviet takings as in the past. Previous trade negotiations have broken down on this issue.

The parliamentary debate of 25 February demonstrated some sentiment within the People's Party for a change in the control agreement to eliminate the four-power Allied Council's review of Austrian legislation. The USSR indicated at Berlin that it would accept a treaty setting aside the control agreement, provided troops remained in Austria.

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Lack of an agreement defining the powers of the occupation might give the USSR a freer hand in the Soviet zone and in Vienna, and would offer opportunities for the permanent partition of Austria. Chancellor Raab regards the control agreement as an essential safeguard as long as Soviet troops remain in Austria, and has indicated his opposition to any change in it, but Soviet offers in this direction might be welcomed by many Austrians.

Raab is likely to renew his public request that the United States and the USSR withdraw all but token troops. The Socialists and even certain elements of the People's Party do not want the issue raised at this time, but they could not publicly oppose such an appeal.

Soviet acceptance of total troop evacuation is very unlikely, but American officials fear that the USSR might agree to a partial withdrawal. Since American troops are now close to the minimum considered essential for defense planning purposes and are outnumbered by Soviet troops by more than two to one, any Soviet proposal for a proportionate withdrawal of troops would be diplomatically embarrassing to the United States.

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## COAL-STEEL COMMUNITY SPLIT ON ANTICARTEL PROGRAM

Coal-Steel Community president Monnet approaches the negotiations in Washington for a substantial American loan with the community seriously split on the anticartel program he has promised to push. The nine members of the High Authority are unable to agree on accepting a major battle with the six governments and the producers, which at this juncture would hurt the broader European integration efforts and might cripple the community itself.

Monnet is convinced that a sizable American loan is essential to enable the High Authority to offer liberal credit and thus exercise indirectly a measure of control over investments within the community. The present investment policy, unanimously approved at the CSC Common Assembly session in January, permits each producer to choose and execute his projects.

In early February Monnet was informed that the United States might require some public proof of the High Authority's intent to carry out the anticartel provisions of the CSC treaty before granting the community any portion of the loan it seeks. Monnet at that time assured American officials in Luxembourg that he expected prompt approval of his program by his colleagues and completion by early March of joint discussions with the Council of Ministers.

The supporters of the anticartel program, on which the staff work was virtually completed over a year ago, consider it essential in order to demonstrate clearly the authority of the CSC's executive branch and remove the chief obstacle to a free market for coal and steel within the community. The High Authority has been sharply divided on tactics, however, and the issue was not discussed in the Common Assembly in January.

Of the three parts of Monnet's program, his plan to outlaw the steel export cartel has provoked the sharpest disagreement. For legal reasons several of his colleagues have preferred to postpone an attack on the export cartel pending steps against cartels affecting trade inside the community. Their opposition may be overcome, however, as a result of a deal concluded in February among the export cartel members by which the Germans agreed to proposed quotas in the external market on the understanding that French and Belgian producers would not compete with them at home.

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The second part of the program is to outlaw individual cartels concerned with internal trade. These include the Joint Coal Sales Organization of the Ruhr, the Upper Rhine (South German) Coal Union, the government-owned Belgian Coal Sales Agency, and the government-owned French Coal Import Association. Most of these cartels would later be invited to confer on terms for reorganization. As a third element in its program, the High Authority intends to issue regulations defining permissible combines or consolidations of control among enterprises.

The ability of the producers to block the anticartel program continues to grow as new issues arise which unite the national governments against the High Authority. Only the West German government has shown an inclination to join the United States in opposition to the steel export cartel. Even its position appeared to be weakening in early January when Economic Minister Erhard stated publicly that the coal and steel industries should be exempted from the government's deconcentration program.

The determination of all six governments to preserve cartel control of coal and steel pricing was strengthened by the 1953 decline in production, which reversed a steady upward trend within the CSC countries. Paris and Rome have appealed to the CSC Court of Justice against a January ruling of the High Authority which permitted greater flexibility in steel pricing.

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A deepening cleavage between the council and the High Authority, the two key institutions of the community, would bring with it the risk of Monnet's resignation and jeopardize the CSC's mission. Powerful enemies of European integration would be encouraged to consolidate their forces. French industrialists from the beginning have helped finance the anti-EDC campaign led by National Assembly deputy Pierre André, and powerful anti-EDC newspapers have played up the CSC's weaknesses. Thus, while the High Authority cannot long delay some anticartel measures, Monnet's present program might isolate the supporters of European integration in the EDC debate in Paris.

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### FURTHER DEVELOPMENTS IN THE SOVIET AGRICULTURAL PROGRAM

Changes in Soviet agricultural policy, as revealed in the 2 March decree of the party central committee, have now been extended to include a major gamble to expand grain production through the reclamation of more than 30,000,000 acres of marginal land by 1955 (see map, p. 22).

Last September and October when measures to expand production of other phases of agriculture were decreed, the decision to embark on an acreage expansion program had apparently not yet been reached. While describing the country's grain position as relatively satisfactory, the top Soviet leaders must have been aware of the increased volume of grain required to sustain their livestock program and of the competing demands for land created by their plans to stimulate production of other crops.

Two measures for expanding grain output, raising yields and increasing acreages, were presumably under review pending the opening of the spring sowing season. It was not until mid-February, when Minister of Agriculture Benediktov sketched in the outline of the acreage expansion scheme, that the decision to place the emphasis here was revealed. The decision was not formalized until 2 March following a meeting of the party's central committee.

The gamble is ambitious, requiring a heavy drain on resources and offering only uncertain returns. With little time afforded for preparations, the plan calls for 5,000,000 acres of new land to be planted mostly in wheat this spring. By 1955, total acreage is to be expanded by more than 30,000,000 acres, about half of it in the Kazakh Republic. Manpower for this program is to be provided by transferring technicians from established machine tractor stations and from industry, and by recruiting Komsomol laborers.

In addition, 120,000 tractors (in terms of 15 horsepower units), representing more than 80 percent of 1953 allocations of new tractor power to agriculture, are to be delivered to the new lands this year. Soil and climate conditions in the areas to be reclaimed, however, make them unsuitable for permanent cultivation. Similar experiments in the 1930's met with failure after the first few years.

The planners may have been influenced by a revised estimate of foreign trade objectives. At a time when the USSR is proclaiming its intention to increase its trade with the West significantly in the next few years, its grain exports, which

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traditionally have been the most dependable foreign exchange earner, have been dropping sharply, apparently because of increased domestic needs and probably because of last year's inadequate crop. Faced with difficulties in supplying alternative export commodities, the USSR must rely heavily on grain shipments if it is to finance the large projected increase in imports.

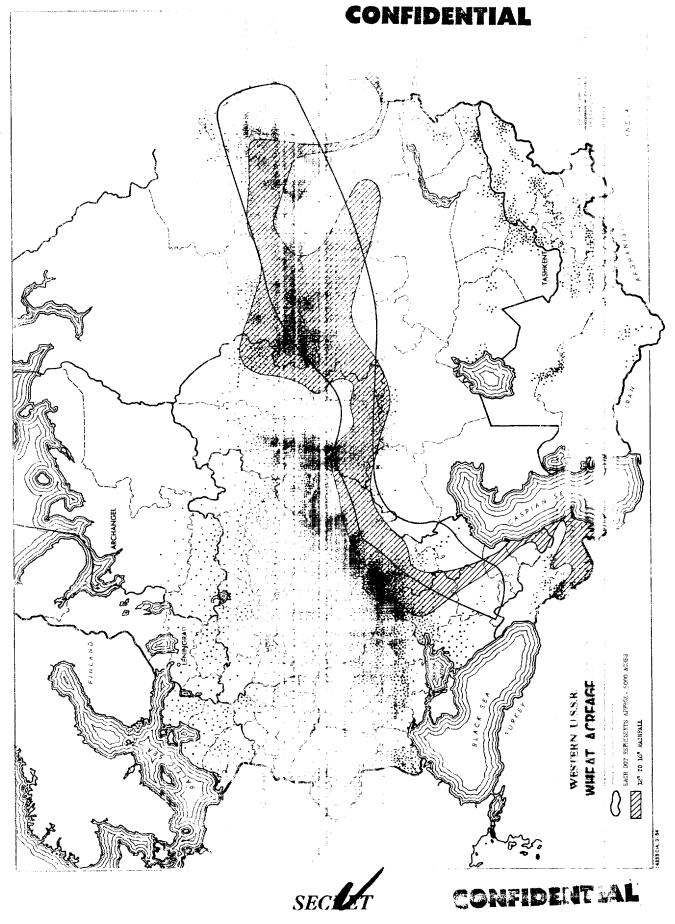
The possibility of political repercussions is suggested by the fact that the new decree not only outlined steps to bolster grain production, but candidly detailed the shortcomings of the present grain situation. Yields were described as deficient and acreages as below the 1940 level. The grain economy, as a result, was failing to meet the requirements of the new consumer program, the expanding population, and the "growing export needs."

The State Planning Committee, which earlier had escaped criticism, was blamed along with the Ministries of Agriculture and State Farms for misguiding agricultural production by insisting on adherence to the crop rotation system. This system, spelled out in a 1945 decree of the Council of Ministers, has been one of the cardinal principles of Soviet agricultural doctrine. It has had the effect of diverting cropland suitable for grain production to the cultivation of soil-renewing, but unproductive, grasses.

While the State Planning Committee and the agricultural ministries have been made the public scapegoats for the insufficient development of grain production, other levels of the Soviet hierarchy must share the blame. In calling for the application of the crop rotation practices, the planning organizations were presumably entitled to believe that they were reflecting the highest official thinking.

But the possibilities of friction within the Soviet hierarchy will increase as the land reclamation program is implemented. In staking the future development of crucial crops on such a gamble, the Soviet planners are providing a basis for dissension. The Ministries of Agriculture in a recent series of administrative reforms granted greater latitude of decision to the lower echelon officials. They consolidated and strengthened the planning powers of the machine tractor stations, delegating to them some tasks which were formerly performed centrally. While these moves were justified in the interest of efficiency, they also diffuse the responsibility for the possible failure of the agricultural program.

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